

Calendar No. 112

81ST CONGRESS }
1st Session }

SENATE

{ REPT. 130
Part 2

COMPENSATION OF TOP GOVERNMENT OFFICIALS

MARCH 21 (legislative day, MARCH 18), 1949.—Ordered to be printed

Mr. LANGER, Mr. HENDRICKSON, and Mr. ECTON, from the Committee on Post Office and Civil Service, submitted the following

MINORITY VIEWS

[To accompany S. 498]

We have subjoined our signatures to this minority report on S. 498 for the following reasons:

1. All officers and employees of the United States civilian government should be considered collectively for matters of salary and working conditions.
2. Precedent is in ample support for considering officers and employees in the same legislation.
3. While the so-called upper bracket personnel of the Government were entirely willing to be considered in the same legislation with the measure to adjust the President's salary, there is every indication that such personnel now regard themselves in an elite class when other salaries call for consideration.
4. During all the welter of discussion of Government salaries, assurances that the rank-and-file salaries, once this bill (S. 498) has been finally disposed of, continue only on an inferential basis, devoid of unequivocal assertion of prompt action.
5. Instead, we are practically told by those who are steering S. 498 that the subject of reclassification is next to be considered by the subcommittee and, we suppose, by the full committee. The public prints convey the same impression, that reclassification is the paramount topic.
6. Classification or reclassification is not designed to revise salaries in accordance with the individual's needs in the face of realistic living costs. Rather, it is intended to bring about standardization and uniformity in pay. Some salaries will decline, others will rise, according to the findings of the occasion.
7. Reclassification legislation necessarily is a complicated subject. For the Senate fully to understand the purpose of reclassification legislation, it is necessary for it also to understand the highly complicated subject of classification. Otherwise, the Senate must accept

the word of those who say they understand the problem. All this consumes much time. Reclassification is a long-range field. Salary adjustment in line with living costs is a nearby activity. The two do not belong together, as was evidenced by the fact that the Senate and the House during the Eightieth Congress separated them.

8. In view of the lack of complete assurance that reclassification will not be run in ahead of the need for salary revision, we are compelled to take our position. In no sense do we express prejudice toward increasing the salaries in the higher echelons, but we do maintain that in view of our own position in favor of equal treatment toward all and at the same time, the further fact that we begin to feel that as soon as S. 498 has been enacted little attention will be paid to the needs of employees as a whole.

9. Our recommendation to the Senate is that these officials who demand preferential treatment wait, as all others are doing, until this committee can report on two bills, now getting dusty in the hands of the subcommittee, notably S. 558 and S. 559. As matters now stand, we are of the belief that as soon as a reclassification bill can be approved it, too, will get precedence. We cannot subscribe to such treatment of the vast majority of Government employees.

We point to a news clipping whose contents have gone undenied. This news item announced that "committee sources" declare that classification is the next legislation. As an afterthought, the story says:

The subcommittee hearings will also give employee groups a chance to urge that cost-of-living pay boosts be added to the Classification Act revisions.

Certainly this is not in line with our thinking. Nor, if the full facts as we are presenting them here were received by the Senate, do we believe the majority of this body will agree. In the committee, nine members were present. The record shows that some Senators went along with the plan to report S. 498 because they assumed salaries for the lower groups surely will be given attention without further delay. And in the face of this fact, the vote was: For reporting, 6; for not reporting, 3.

Employees, through their representatives, appeared in support of S. 103, the forerunner of S. 498. Much has been made of their appearance by those who ardently are for the upper bracket officials in the Government. It is recalled that these employee representatives were urged to give testimony and to get in line with the "big shots" legislation.

We found upon more careful study of the provisions of S. 1537 of the Eightieth Congress that there were a number of dormant means of bringing about more benefits to the officials than met the eye in the legislation. We learned that all secretaries of boards and commissions, for example, who could be classed as "business managers" could gain even more benefits than others not in the same happy circumstance. And it was discovered, though not spelled out in the bill, that those who had been at the ceiling salary since 1940 were on the verge of getting within-grade salary increases of unbelievable sums, accrued and retroactive for 8 years.

These are the things that Congress would deny to the small employee, it would also deny to the others. As members of the committee, we recognize it as a duty to point out the potentials of legislation for the class as against the mass. We know that every benefit

ever gaiaed by the little fellow always goes, by a process of absorption, to the higher groups. Equal treatment can offend no one. This is what we call for, and for this reason we ask the leadership in both parties in the Congress to wait just a little longer until the salary legislation can catch up with S. 498.

We point to the further truth that while a great deal of capital has been made of the support certain employee organizations gave to the purposes of S. 498 during the hearings, the fact remains that at the same time they insisted their own constituents receive favorable treatment.

As already noted, we hold no prejudice against the proposition of recognition of the officials in Government service, ranging from Cabinet and sub-Cabinet rank and on down the line to bureau and division chief. But we now call for activity every bit as definitive in favor of the employee. We are just as solicitous of his welfare, perhaps more so, than we are for the man who can move in and out of Government at will, always commanding higher salaries before making the next move.

As for the higher official, he may even be running the definite risk in striking out for himself and getting ahead of the rank and file of making his job so attractive that he can become unemployed. For example, news reports are to the effect that census supervisors and a host of others to be hired to take the decennial census will be hand-picked without regard to recommendations from the representatives of the respective States. This form of administrative patronage may well lead to displacement even of many of the self-same officials who today in S. 498 are reaching for a fast pecuniary gain, without regard to the welfare of others.

And further, without prejudice to S. 498, we point out that the cost of this bill has been translated to us only in terms of dollars involved in salaries for active duty. The cost actually will be much more when measured in the light of exceedingly handsome benefits in undreamed-of retirement annuities. If it is proper to give special attention to a given group under any circumstances, it is fully as proper to give full assurance of prompt action on S. 558 and S. 559, the salary bills, which assurance we must say we do not have.

We dislike suggesting that S. 498 should be recommitted but we know it will require weeks for full consideration of S. 558 and S. 559. Is \$650 too small a salary increase figure? Is it too high? It takes time to determine the facts. What is the correct figure? And if these bills are placed behind the eight ball of delay in favor of reclassification, it will be yet another year before the subject can even be reopened. We dislike seeing the subject of salaries for the majority run into an election year. Certainly, S. 498 spares the higher officials of this embarrassment, though they hold the best-paid patronage jobs.

For the above clearly stated reasons, we have affixed our names to this report and ask that S. 498 remain upon the Senate Calendar till the committee reports favorably with or without amendment on S. 558 and S. 559.

WILLIAM LANGER,
ZALES N. ECTON,
ROBERT C. HENDRICKSON.

Approved For Release 2000/08/11 : CIA-RDP57-00384R001000090007-7

ADDENDUM

In addition to the foregoing reasons for appending my name to this minority report on S. 498, I feel constrained to add that somewhere, somehow the Congress of the United States and all persons charged with the affairs of government in this great land of ours, must begin to think upon some sound policy of retrenchment. We have in the past few years spent in billions until we talk of millions as we once talked in thousands. Accordingly, whenever there is a cry from any segment of public employees for increased compensation, we think not of the fact, "Can we pay?" but rather "The demand has merit and it will only cost another million or so." Because we have reached a state of carelessness in this respect, I gave most careful study to S. 498 and was unable to find any justification for the expenditure of the \$1,600,000 which the bill will require. Not only does it add a number of upper bracket salary jobs, but it increases salaries beyond normal and reasonable requirements.

ROBERT C. HENDRICKSON.

S. 498 approaches the over-all problem of salary adjustment from the wrong end—namely, from the top instead of from the bottom.

It is the second such bill already presented to this session of the Congress. The first resulted in raising the salary of but three top officials, all at the extreme top echelon. This bill proposes to grant salary increases to the next to the top, an extremely limited group of administrators and executives, only a small percentage of whom are Federal career employees. Its adoption would result only in confusion and disagreement between the group included and the much larger group whose duties and responsibilities are similar if not equal.

It would, in effect, be a reorganization or realinement of administrative and executive positions without in reality being anything but a piecemeal approach. Its acceptance would make any later attempt at complete reclassification and alinement difficult, if not impossible. It is a feeble attempt to bring salary and responsibility somewhat in line. If that be the primary purpose, then it should be considered as a reclassification rather than a salary-increase measure.

This legislation would put the stamp of approval upon certain positions over which there is difference of opinion as to their need, worth, or accomplishment. Finally, its adoption without some recognition being given to employees in salary brackets so low that it is difficult to maintain for themselves and their families a decent standard of living, could result only in criticism and dissatisfaction among this large group of employees in the lower salary brackets, who, especially in the field, are the ones who are really doing the work of the Government.

There could easily arise the question as to whether or not such legislation might not in fact be contrary to the concept of merit, basic to promotion as conceived by the principle of civil service. It could conceivably lead to political rather than career accomplishment as the measure of eligibility for selection to higher executive positions in the Federal Government.

ZALES N. ECTON.

Approved For Release 2000/08/11 : CIA-RDP57-00384R001000090007-7